

WASHINGTON METROPOLITAN AREA TRANSIT COMMISSION

WASHINGTON, DC

ORDER NO. 5184

IN THE MATTER OF:

Served August 21, 1997

Application of A. C. TOURS,  
INC., for a Certificate of  
Authority -- Irregular Route  
Operations

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Case No. AP-97-36

Applicant seeks a certificate of authority to transport passengers, together with baggage in the same vehicles as passengers, in irregular route operations between points in the Metropolitan District. The application is unopposed.

The Compact, Title II, Article XI, Section 7(a), authorizes the Commission to issue a certificate of authority if it finds that the proposed transportation is consistent with the public interest and that the applicant is fit, willing, and able to perform the proposed transportation properly, conform to the provisions of the Compact, and conform to the rules, regulations, and requirements of the Commission.

Applicant proposes commencing operations with three motorcoaches. Applicant's proposed tariff contains hourly group charter rates and transfer rates.

Applicant filed a balance sheet as of December 31, 1996, showing assets of \$56,972; liabilities of \$68,537, including debt of \$12,824 due applicant's president/sole shareholder; and negative equity of \$11,565. Applicant's projected operating statement for the first twelve months of WMATC operations shows WMATC operating income of \$75,000; other operating income of \$75,000; expenses of \$123,000; and net income of \$27,000.

Although applicant's liabilities exceed its assets, the amount of debt due applicant's shareholder exceeds the amount of negative equity. Further, applicant is a going concern with federal authority to transport passengers for hire in interstate commerce, and applicant is projecting net income during its first year of WMATC operations. The Commission has found other applicants financially fit under similar circumstances.<sup>1</sup>

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<sup>1</sup> See In re Capital Tours & Transp. (Virginia), Inc., No. AP-95-48, Order No. 4714 (Dec. 5, 1995) (shareholder debt greater than negative equity, VASCC authority, projecting net income); In re Jet Tours USA, Inc., No. AP-94-50, Order No. 4649 (Aug. 22, 1995) (shareholder debt greater than negative equity, ICC authority, projecting net income); In re Chesapeake Trails Bus Co., No. AP-95-13, Order No. 4571 (Apr. 12, 1995) (shareholder debt greater than negative equity, ICC and MDPSC authority, projecting net income); In re S&W Bus Serv., Inc., No. AP-93-15, Order No. 4103 (May 18, 1993) (same).

Applicant certifies it has access to, is familiar with, and will comply with the Compact and the Commission's rules and regulations thereunder.

Based on the evidence in this record, the Commission finds that the proposed transportation is consistent with the public interest and that applicant is fit, willing, and able to perform the proposed transportation properly, conform to the provisions of the Compact, and conform to the rules, regulations, and requirements of the Commission.

THEREFORE, IT IS ORDERED:

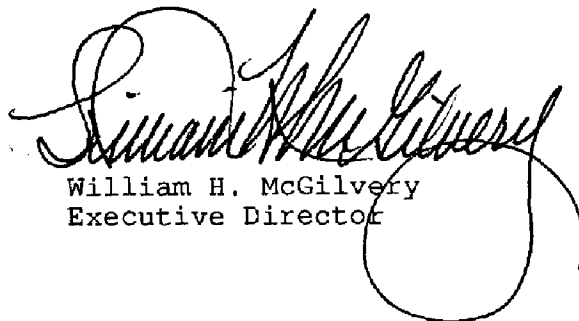
1. That upon applicant's timely compliance with the requirements of this order, Certificate of Authority No. 405 shall be issued to A. C. Tours, Inc., 8770 Richmond Highway, Alexandria, VA 22309.

2. That applicant may not transport passengers for hire between points in the Metropolitan District pursuant to this order unless and until a certificate of authority has been issued in accordance with the preceding paragraph.

3. That applicant is hereby directed to file the following documents within thirty days: (a) evidence of insurance pursuant to Commission Regulation No. 58 and Order No. 4203; (b) an original and four copies of a tariff or tariffs in accordance with Commission Regulation No. 55; (c) an equipment list stating the year, make, model, serial number, vehicle number, license plate number (with jurisdiction) and seating capacity of each vehicle to be used in revenue operations; (d) evidence of ownership or a lease as required by Commission Regulation No. 62 for each vehicle to be used in revenue operations; (e) proof of current safety inspection of said vehicle(s) by or on behalf of the United States Department of Transportation, the State of Maryland, the District of Columbia, or the Commonwealth of Virginia; and (f) a notarized affidavit of identification of vehicles pursuant to Commission Regulation No. 61.

4. That the grant of authority herein shall be void and the application shall stand denied upon applicant's failure to timely satisfy the conditions of issuance prescribed herein.

BY DIRECTION OF THE COMMISSION; COMMISSIONERS ALEXANDER, LIGON, AND MILLER:



William H. McGilver  
Executive Director